

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	CHAPTER 11
	§	
SOUTH TEXAS CORRAL, LLC	§	
	§	
DEBTOR	§	BANKRUPTCY CASE NO. 25-10113

EMERGENCY MOTION FOR AUTHORITY TO USE CASH COLLATERAL

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, South Texas Corral, LLC ("Debtor") and files this Emergency Motion for Authority to Use of Cash Collateral pursuant to 11 U.S.C. § 363. The Debtor presents this Application and respectfully represents the following:

1. On June 17, 2025 ("Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 ("Bankruptcy Code") and is now operating its business as a Debtor-In-Possession.
2. The Debtor was formed in 2014 and operates a Golden Corral franchise restaurant as Debtor-In-Possession pursuant to §§1107 and 1108 of the Bankruptcy Code. No creditors' committee has been appointed in this case by the United States Trustee.

3. An online search of the UCC filings with the Texas Secretary of State, conducted on June 16, 2025, and attached as Exhibit B, reveals the following UCC Financing Statements:

- 1 – CapitalSource (UCC Filing No. 14-0035550215) (Blanket Lien)
- 2 – Meadowbrook Meat Co. Inc. (UCC Filing No. 14-0037826283) (Inventory)
- 3 – Marlin Business Bank (UCC Filing No. 19-0022001328) (Blanket Lien)
- 4 – U.S. Small Business Administration (UCC Filing No. 20-0036815409) (Blanket Lien)
- 5 – Marlin Leasing Corp. (UCC Filing No. 22-0044523365) (Equipment Lien)
- 6 – Marlin Leasing Corp. (UCC Filing No. 23-0013094456) (Equipment Lien)
- 7 – Regions Bank dba Ascentium (UCC Filing No. 23-0034086753) (Equipment Lien)
- 8 – Funders App (UCC Filing No. 24-0025695871) (Blanket Lien)
- 9 – Highland Hill Capital (UCC Filing No. 24-0027428140) (Blanket Lien)
- 10 – Everest Business Funding (UCC Filing No. 24-0034273368) (Future Receipts)
- 11 – VitalCap Fund (UCC Filing No. 24-0034396102) (Blanket Lien)
- 12 – Unknown Creditor (CT Corp. System) (UCC Filing No. 24-0034474654) (Receivables, accounts, proceeds)
- 13 – National Funding Inc. (UCC Filing No. 24-0037711459) (Blanket Lien)
- 14 – Marlin Leasing Corp. (UCC Filing No. 24-0053673161) (Equipment Lien)

4. CapitalSource: Upon information and belief, this debt is now owned by the Banc of California. This debt is secured by the first position blanket UCC lien. Debtor scheduled this debt as \$179,566.47. Due to the size of this debt, Banc of California is the only cash lienholder that is actually secured by Debtor's cash collateral. The junior cash lienholders are wholly unsecured.

5. The Debtor depends on the use of cash collateral for payroll and general operating expenses. Revenue is generated through Debtor's Golden Corral franchise restaurant.

6. **Emergency Consideration:** Emergency consideration is requested because the Debtor depends on the use of cash collateral for payroll, maintenance, supplies, and general operating expenses. If the Debtor is unable to use cash collateral, it will be forced to cease operations.

7. It is critical to the operation of the Debtor's business, and to its reorganization efforts, that it be permitted to pay these expenses using cash collateral. The Debtor produces revenue from its Golden Corral franchise restaurant and would use such revenue to pay the budgeted expenses. Moreover, such revenue will be deposited by Debtor in its DIP operating account pending entry of an order allowing use of cash collateral or consent by lien holders.

8. Attached as "Exhibit A" is a 14-day and 30-day budget for the Debtor, showing projected income and expenses. The amounts listed are reasonable and good faith estimations of what the Debtor needs to spend each month to continue the operations of its business and reorganize.

9. Debtor requests authority to use the cash collateral for expenses as set forth on Exhibit "A". Specifically, the Debtor requests authority to use the cash collateral to pay up to 110% of each expense in Exhibit A, so long as the total of cash collateral spent during the month does not exceed by more than 10% of that month's total in Exhibit A.

10. This "First Day Motion" is being filed alongside the Voluntary Petition under the Court's Standing Order on First Day Motions in Chapter 11 cases.

WHEREFORE, PREMISES CONSIDERED, the Debtor requests this matter be set for hearing and that upon hearing, the Court will enter an Interim Order authorizing the Debtor's use of the cash collateral in the amounts set forth in Exhibit "A" and for such other

and further relief as the Debtor may show itself justly entitled.

Respectfully submitted,

THE LANE LAW FIRM, PLLC

/s/Robert C. Lane

Robert C. Lane

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6200 Savoy, Suite 1150

Houston, Texas 77036

(713) 595-8200 Voice

(713) 595-8201 Facsimile

PROPOSED COUNSEL FOR DEBTOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Debtor's Motion for Authority to Use Cash Collateral was served upon the US Trustee and to the parties listed on the service list below and the attached mailing matrix either via electronic notice by the court's ECF noticing system and by United States First Class Mail Postage Prepaid, and by electronic mail as listed below on June 17, 2025:

Debtor:

South Texas Corral, LLC
4555 N. Expressway
Brownsville, TX 78520

US Trustee:

Office of The United States Trustee
515 Rusk Street, Suite 3516
Houston, TX 77002

Notice will be electronically mailed to:

US Trustee
USTPRegion07.HU.ECF@USDOJ.GOV

Email Notification of Interested Parties:

info@avionfunding.com

ClientServices@bancofcal.com

mdavis@dtolaw.com

trueup@everestbusinessfunding.com

info@highlandhillcap.com

nreighn@marlincorp.com

uw@Monetafi.com

rzahradka@nationalfunding.com

richelleallen@ascentiumcapital.com

bankruptcynotices@sba.gov

info@vitalcapfund.com

capital@toasttab.com

/s/ Robert "Chip" Lane
Robert "Chip" Lane

Label Matrix for local noticing
0541-1
Case 25-10113
Southern District of Texas
Brownsville
Tue Jun 17 13:18:30 CDT 2025

(p)ASCENTUM CAPITAL
ATTN BANKRUPTCY
23970 US 59 NORTH
KINGWOOD TX 77339-1535

Banc of California f/k/a Pacific Western Ban
75 Remittance Dr Dept 6673
Chicago, IL 60675-6673

Cameron County Tax Assessor-Collector
P.O. Box 952
Brownsville, TX 78522-0952

Funders App
3323 NE 163rd Street 401
North Miami Beach, FL 33160-5596

Highland Hill Capital LLC
1100 Park Central Blvd S Ste 1200
Pompano Beach, FL 33064-2211

Marlin Leasing Corporation
300 Fellowship Road
Mount Laurel, NJ 08054-1727

Regions Bank d/b/a Ascentium Capital
23970 Highway 59 N
Kingwood, TX 77339-1535

Sysco
1260 Schwab Rd
New Braunfels, TX 78132-5155

The Lane Law Firm
6200 Savoy Dr Ste 1150
Houston, TX 77036-3369

South Texas Corral, LLC
4002 Paredes Line Rd Ste 15
Brownsville, TX 78526-1266

Avion Funding, LLC
633 167th Street, Suite 804
Miami, FL 33162-2446

Burch Enterprises
1025 Se Military Dr
San Antonio, TX 78214-2826

David Fogel, P.C.
1225 Franklin Avenue 201
Garden City, NY 11530-1890

Gaspar Hernandez
4308 Travis Lake Ct
Brownsville, TX 78520-4064

Linebarger Goggan Blair & Sampson, LLP
c/o Jeffrey M. Garcia
35 Providencia Ct
Brownsville, TX 78526-0218

MonetaFi
20200 W Dixie Hwy
Miami, FL 33180-1918

Rio Grande Pak Foods
4100 Ursula Ave
McAllen, TX 78503-9007

(p)TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
REVENUE ACCOUNTING DIV - BANKRUPTCY SECTION
PO BOX 13528
AUSTIN TX 78711-3528

U.S. Small Business Administration
1545 Hawkins Blvd 202
El Paso, TX 79925-2654

1
United States Bankruptcy Court
1133 North Shoreline Blvd #208
Corpus Christi, TX 78401-2042

Banc of California
c/o Royston Rayzor
55 Cove Circle
Brownsville, TX 78521-2661

Cameron County - Brownsville ISD Tax
835 E. Levee St, 1st Floor
Brownsville, TX 78520-5101

Everest Business Funding
102 W 38th St Fl 6
New York, NY 10018-3664

Golden Corral Franchising Systems Inc.
Senior Vice President - Franchising
PO Box 29502
Raleigh, NC 27626-0502

Marlin Business Bank
2795 E Cottonwood Pkwy
Salt Lake Cty, UT 84121-7092

National Funding, Inc.
10455 N Central Expy Ste 109-201
Dallas, TX 75231-2213

South Texas Corral, LLC
4555 N Expressway
Brownsville, TX 78520-9415

Texas Southmost College District
1442 Las Lomas
Brownsville, TX 78526-1210

US Trustee
615 E. Houston Street
Suite 533
San Antonio, TX 78205-2055

VitalCap Fund
48 Wall Street 1013
New York, NY 10005-2903

WebBank
215 S. State St. Suite 1000
Salt Lake City, UT 84111-2336

Willscot
4646 E Van Buren Street
Phoenix, AZ 85008-6927

Z-Prop LLC
c/o Dr. Joe D. Zayas
555 Boca Chica Blvd
Brownsville, TX 78520-7735

Robert C Lane
The Lane Law Firm
6200 Savoy Dr Ste 1150
Houston, TX 77036-3369

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified
by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Ascentium Capital
23970 Highway 59 North
Kingwood, TX 77339

Texas Comptroller
111 E. 17th Street
Austin, TX 78774

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Cameron county Tax Assessor-Collector
POBOX 952
Brownsville, TX 78522-0952

End of Label Matrix	
Mailable recipients	34
Bypassed recipients	1
Total	35